

June 2022 Quarterly Activities Report

Extensive exploration at Kookynie Gold Project targeting high grade gold extensions

- Substantial 5,210m RC program completed at the newly discovered, shallow, high-grade gold lodes at the Kookynie Gold Project including the **McTavish East** prospect targeting extensions to the high-grade zone along strike and at depth. Previously released RC drilling results included:
 - 16m @ 20.92g/t from 161m (inc.10m @ 31.88g/t) in MERC005
 - 4m @ 17.82g/t from 78m (inc.2m @ 33.55g/t) in MERC001
 - 4m @ 12.94g/t from 126m (inc.2m @ 23.67g/t) in MERC009
 - 4m @ 6.39g/t from 114m (inc.1m @ 23.30g/t) in MERC009

- The RC program also followed up previous high-grade aircore results at **McTavish North**
- A separate aircore drilling program was completed to test the 1.1km long prospective structure between **McTavish East** and **Champion South** for repeat structures and additional high-grade gold lodes.
- Subsequent to the end of the quarter, a program of 3 holes for 500m of diamond drilling commenced targeting down dip extensions of the mineralised structure at **McTavish East**.

Results received for the second aircore program at the Ora Banda South Gold Project

- The second wide-spaced drilling program, with lines 360m apart, followed up on significant shallow bedrock gold results that confirmed a gold bearing system with a strike length of **15km**.
- Significant results from the second aircore program in the regolith profile included:
 - 4m @ 2.69g/t from 36m in OBAC306
 - 4m @ 2.49g/t from 48m in OBAC175
 - 8m @ 0.58g/t from 32m in OBAC295
 - 4m @ 0.97g/t from 36m in OBAC310
 - 8m @ 0.45g/t from 48m in OBAC342
- Two high priority gold targets have been defined for follow-up aircore, and RC drill program planned in Q3 subject to rig availability.
 - Carnage Prospect** - 2.5km strike and up to 500m wide and remains open.
 - Highlander Prospect** - 2km strike and up to 400m wide also remains open.

CEO Humphrey Hale commented:

“Carnavale has had an active quarter at Kookynie and Ora Banda, with the aim of expanding newly identified high-grade gold lodes at Kookynie and in the search for high-grade gold under cover at Ora Banda. Assay turnaround has been an issue during the quarter, but we hope to see this improve over the coming months.”

Carnavale Resources Limited (“CAV”, “Company” or “Carnavale”) reports on activities completed during the June 2022 Quarter.

At the **Kookynie Gold Project** a 5,210m second program of RC drilling was completed following up on bonanza grade gold results received in January 2022 that defined a new high-grade lode in fresh rock.

A separate aircore drilling program was completed at the Kookynie Gold Project along the 1.1km long prospective structure between **McTavish East** and **Champion South** to expand the high-grade **McTavish East** discovery.

Continuing at the **Kookynie Gold Project** and subsequent to the end of the quarter, a program of 3 diamond tails for approximately 500m of diamond drilling commenced. This program is designed to extend down-dip extensions of the mineralised structure.

At the **Ora Banda South Gold Project** results were received from a substantial, 12,894m, second aircore drilling program. The drilling was following up on strong results received from the initial wide spaced aircore drilling program.

At the **Grey Dam Nickel Sulphide Project** exploration continued over the northern mafic / ultramafic sequence with the completion of a moving loop ground-based EM (MLEM) survey.

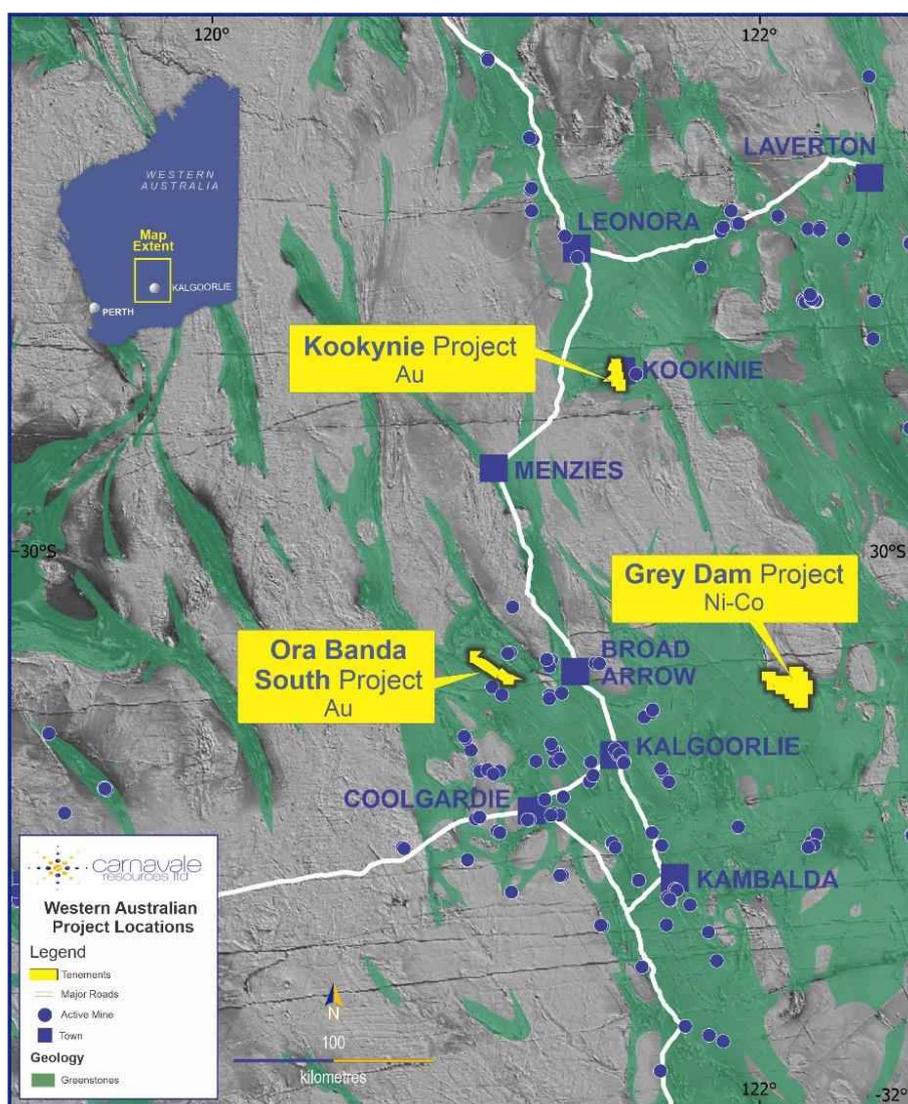


Figure 1: Location plan of CAV Projects

Kookynie Gold Project

Second RC drilling program

Carnavale completed a substantial 5,210m RC program at the Kookynie Gold Project. The program consisted of 30 holes targeting newly discovered, shallow, high-grade gold lodes. The program consisted of 16 RC holes, 2 re-entries and 3 pre-collars at the **McTavish East** prospect, with a further 9 RC holes completed at **McTavish North** Prospect, representing the first RC exploration at this prospect.

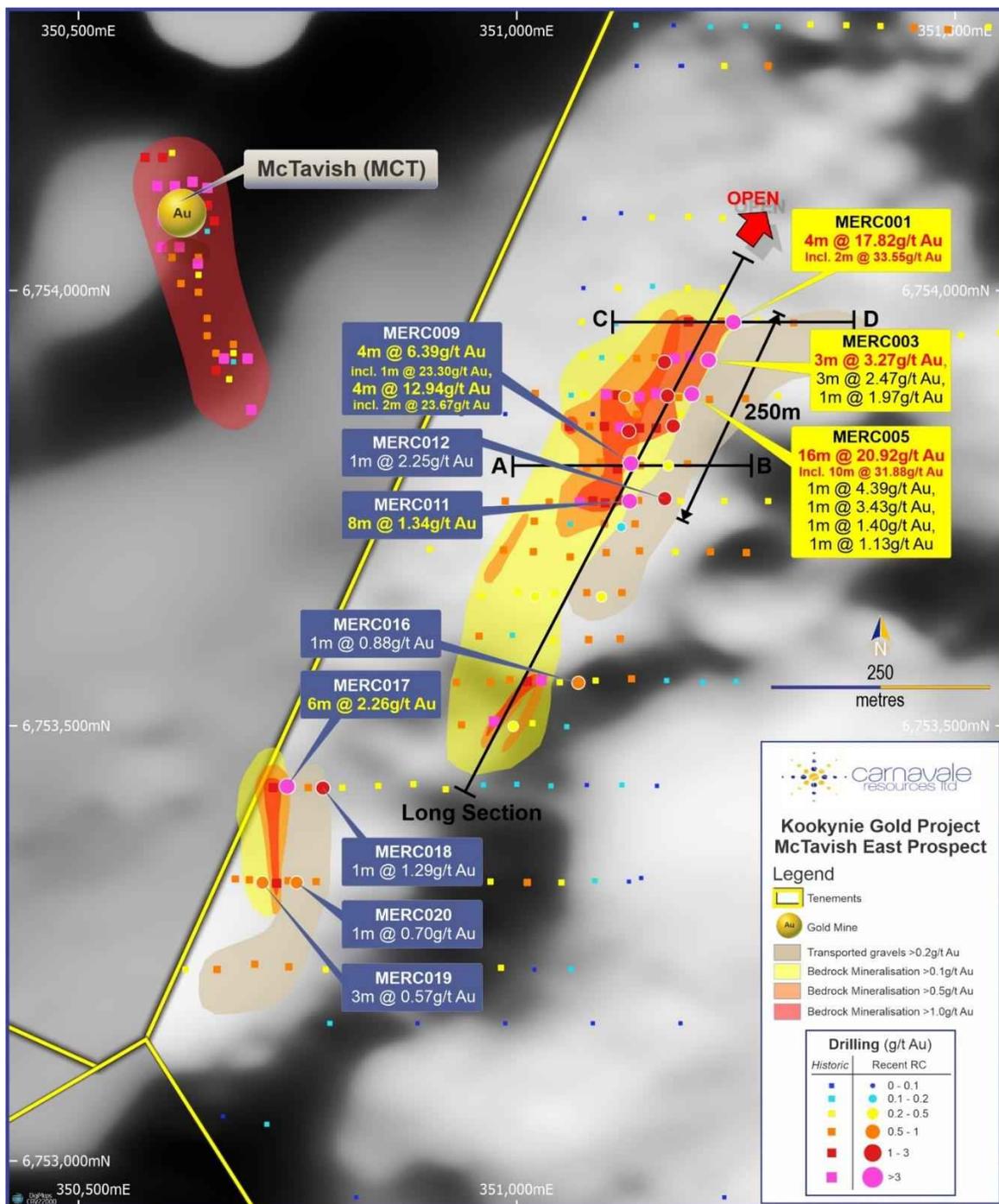


Figure 2: Plan of McTavish East showing collar locations of RC drilling and mineralised trend.

The newly identified mineralised structure identified by recent CAV drilling has high-grade gold defined along 250m of strike and dips steeply east and strikes northeast and remains open (Figure 2).

This program was designed to expand the substantial high-grade gold mineralisation associated with strong quartz veining in fresh rock, identified by the previous RC drilling.

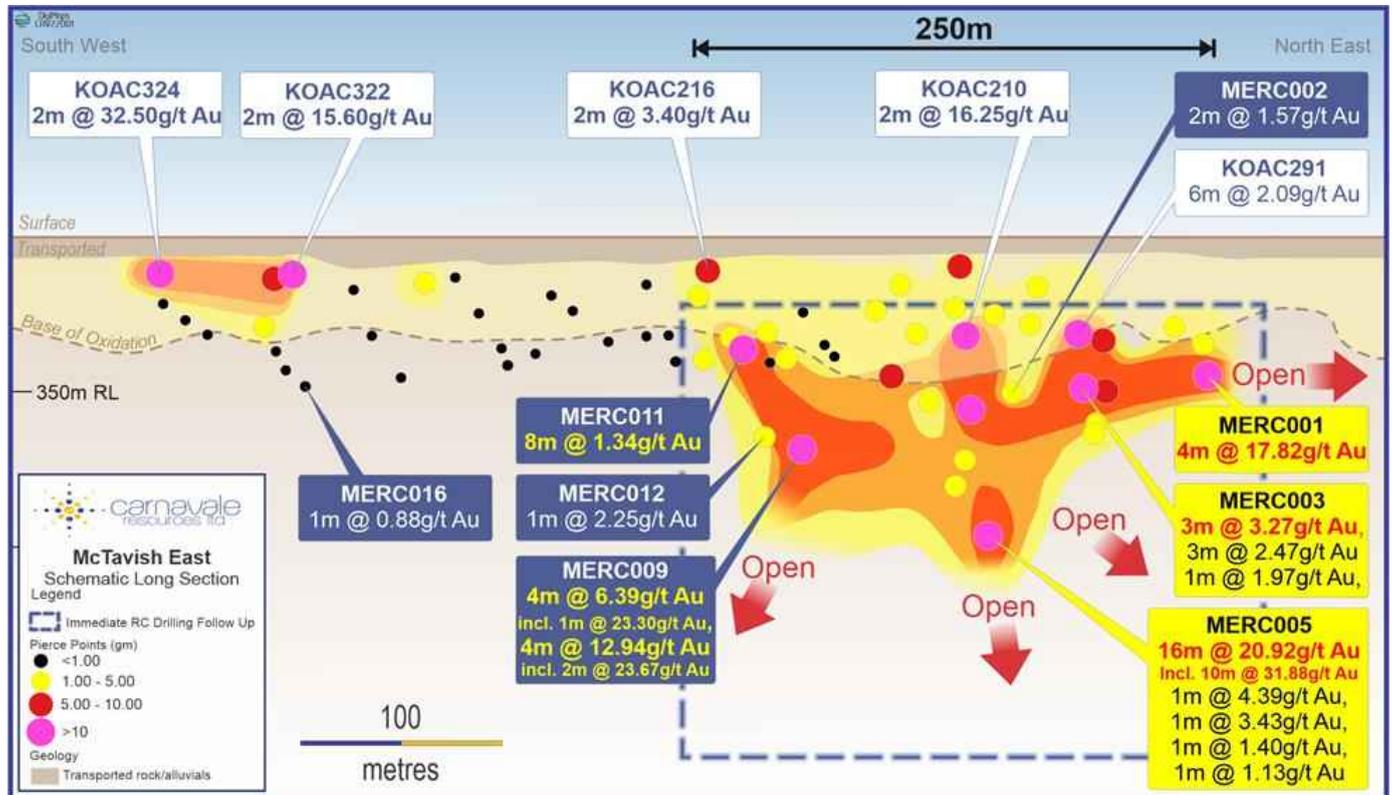


Figure 3: Long section through McTavish East with significant intercepts as pierce points on mineralised structure.

The main structure at **McTavish East** is also supported by mineralised splays in the hanging wall and footwall that have similar mineralogy to the highest-grade zones on the main structure.

The RC drill program was managed closely, with drill targets updated regularly as information was received from logging, geology and alteration encountered within the RC chips. As a result of this monitoring, CAV extended 2 previous RC holes and added additional drill metres to the program at **McTavish East** to extend the mineralised structures down dip to a vertical depth of +200m. The strike of the mineralised zone has increased to +320m. This system remains open along strike and at depth.

All the RC drilling samples were submitted to the laboratory immediately after the end of the drilling program with results expected to be received in the coming weeks.

Diamond Drilling program

Carnavale included 3 diamond pre-collars in the RC program completed during the quarter at **McTavish East**, targeting depth extensions to the mineralised structures encountered in the recent drilling. Subsequent to the end of the quarter, the Company mobilized a diamond drilling rig to complete these diamond tails.

The program of 3 NQ diamond tails consists of approximately 500m.

- ✦ 0-100m RC pre collar. DD 100m to **320m EOH** (220m of diamond drilling) designed to extend the mineralised envelope by more than 40m down dip
- ✦ 0-150m RC pre collar. DD 150m to **300m EOH** (150m of diamond drilling) designed to extend the mineralised envelope by more than 40m down dip
- ✦ 0-228m RC pre collar. DD 228m to **350m EOH** (122m of diamond drilling) designed as a scissor hole to provide extra structural detail around high-grade mineralisation in the centre the prospect.

The information gathered from the diamond drilling will provide important information on the orientation of the mineralizing structures and their interaction with the host geology in the local area at **McTavish East** as well as detail on the rock strength and density.

The core will be orientated and logged onsite with the core transported to Kalgoorlie for cutting and sampling prior to submission to the laboratory.

The diamond drilling program is expected to be completed in mid-August 2022. Receipt of assay results are currently experiencing turnaround times from the laboratory of 10 weeks.

Aircore program to test prospective corridor

An aircore drilling program of 109 holes for 5,104m has been completed to expand the high-grade **McTavish East** discovery and to test for repeat structures along the 1.1km long prospective structure between **McTavish East** and **Champion South**.

The large-scale mineralised structure identified in the RC drilling that hosts **McTavish East** strikes northeast across CAV's tenement package and intersects the **Champion South** Prospect (Figure 4). This represents a 1.1km priority target corridor that is untested by previous drilling due to the presence of the depletion zone in the regolith profile.

The gold anomaly in the transported material along this prospective structure is of particular interest as similar anomalies are found overlying the primary gold mineralisation at **McTavish East**.

The geology of the target area is dominated by surficial transported cover and a depleted weathered rock profile that has hindered previous explorers. Assay results for this aircore program are expected in August 2022.

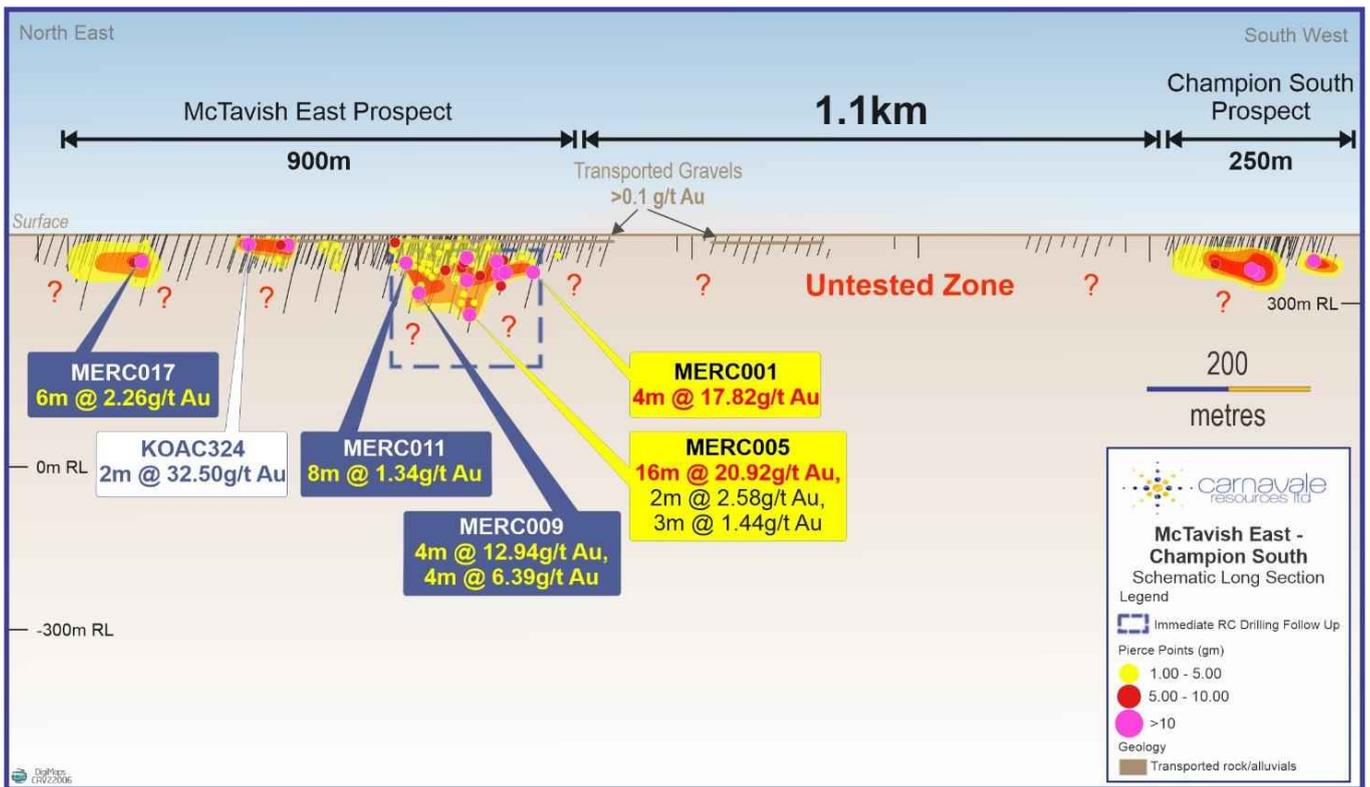


Figure 4: Long section showing 1.1km untested zone from McTavish East to Champion South

Ora Banda South Gold Project

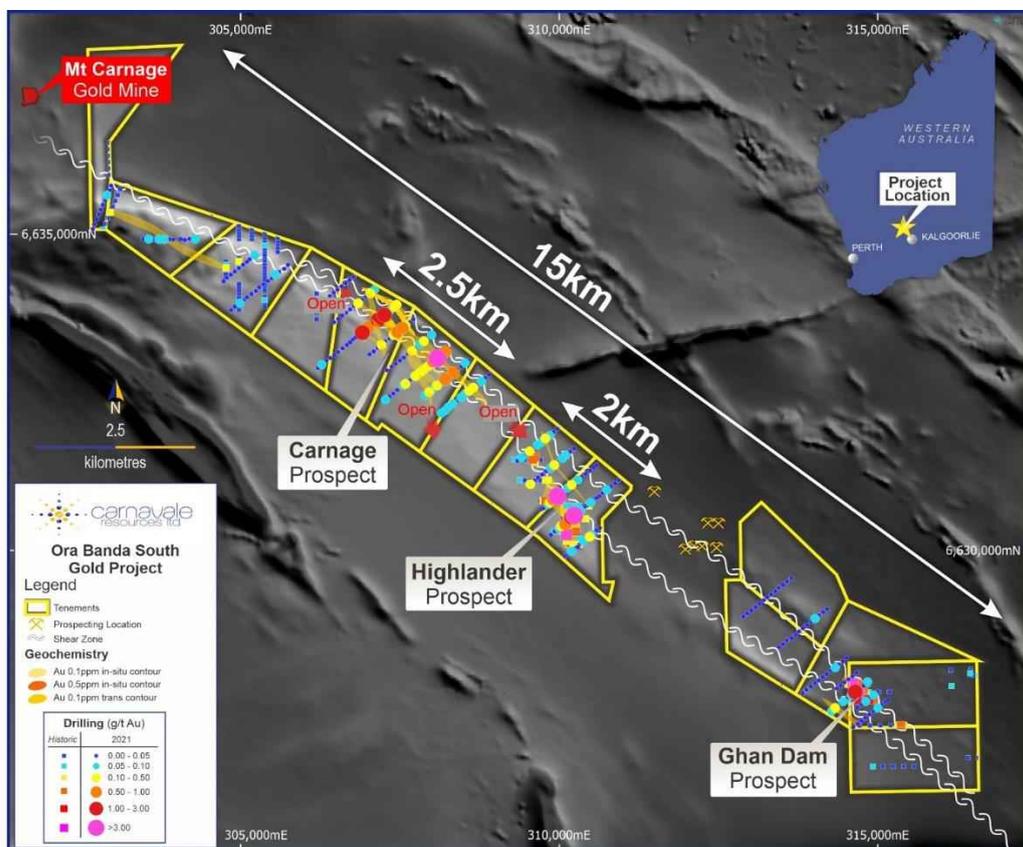


Figure 5: Plan of Ora Banda South Gold project with Prospect location with CAV aircore drilling

During the quarter results were received for the phase two aircore drilling program, comprising 176 holes for 12,894m. The program followed up on the strong gold mineralisation identified by the wide spaced phase one aircore program (See *High-grade gold along 15km of the Carnage shear at Ora Banda 13th December 2021*).

The initial reconnaissance drilling program tested targets identified by CAV's previous soil sampling program, previous aircore gold anomalies and structural targets under alluvial cover. The initial program confirmed the prospective Carnage Shear occurs along the 15km long tenement package and shows anomalous gold, arsenic, bismuth and lead. Three new gold prospects were identified in the initial drilling that contain high grade gold intercepts (Figure 5).

This second recent aircore program drilled wide spaced lines, 360m apart, across the new gold prospects with holes drilled on 40m to 80m drill centres. The aircore drilling targeted the geochemical footprint of concealed gold mineralisation. Drill spacing along the initial lines was reduced to 40m by infill drilling where gold anomalies had been identified, samples were taken as 4m composites from the spoil piles.

The results of the drilling outline significant gold mineralisation in the regolith geochemistry and CAV has gained an improved understanding of the geology and structure, the depth of transported material as well as the depth of weathering within the regolith profile across the tenement package.

This phase 2 drilling program has successfully confirmed the scale of the original anomalies and provided additional resolution to these new gold Prospects. The drilling remains very wide spaced and is still considered reconnaissance geochemical drilling. Significant results from the second aircore program in the regolith profile include:

- **4m @ 2.69g/t** from 36m in OBAC306
- **4m @ 2.49g/t** from 48m in OBAC175
- **8m @ 0.58g/t** from 32m in OBAC295
- **4m @ 0.97g/t** from 36m in OBAC310
- **8m @ 0.45g/t** from 48m in OBAC342
- **4m @ 0.82g/t** from 52m in OBAC177
- **8m @ 0.36g/t** from 24m in OBAC340
- **11m @ 0.26g/t** from 60m in OBAC293 (ended in mineralisation)

Following up on significant results from the initial program that included:

- **4m @ 8.82g/t** from 40m in OBAC022
- **8m @ 2.74g/t** from 48m hole OBAC089 (*inc. 4m @ 5.10g/t from 52m*)
- **12m @ 0.38g/t** from surface in OBAC038 and
- **4m @ 1.40g/t** from 24m in OBAC038

Two high priority gold targets have been defined with the follow-up aircore, one at the Carnage Prospect - **2.5km strike and up to 500m wide** and remains open, and the second at the Highlander Prospect - **2km strike and up to 400m wide** also remains open.

Carnage Prospect

The geology of the Carnage prospect is dominated by a sequence of sedimentary rocks crosscut by the Carnage Shear. The area is overlain with a layer of transported material that is up to 40m in places. The transported cover has prevented any surface sampling such as soils or auger sampling from being effective at detecting concealed gold anomalism in earlier exploration.

CAV reviewed the structural information from the aero magnetics and extrapolated the gold in soil anomalism which suggested there could be concealed gold targets beneath the transported cover.

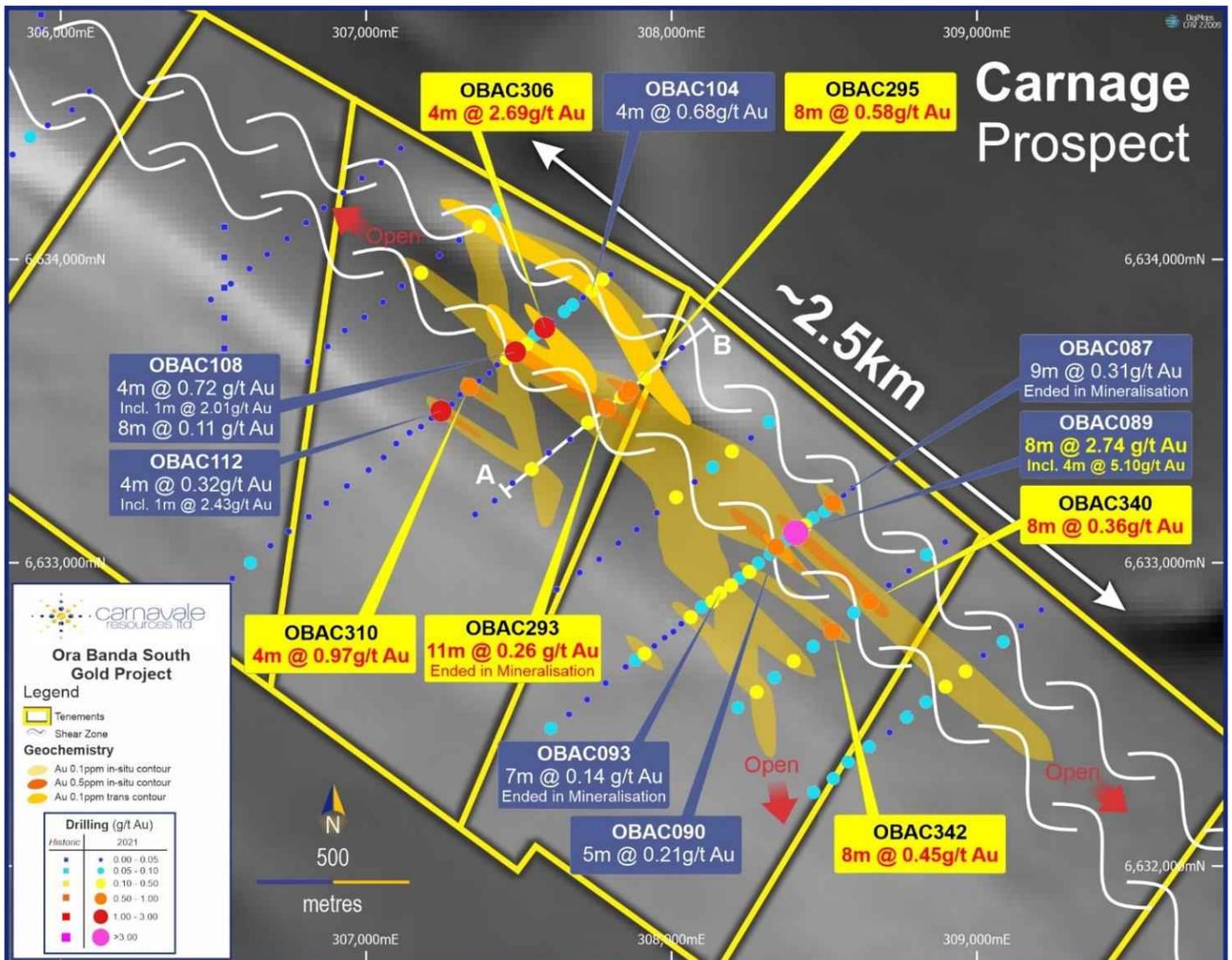


Figure 6: Plan of Carnage shear with gold contours outlining a 2.5 km anomaly open along strike (Phase one drilling in blue phase two drilling in yellow callouts).

CAV drilled 6 additional lines of aircore at the Carnage prospect 360m apart. In addition to the new lines of drilling, CAV infilled the initial discovery lines of aircore to define the extents of this new mineralisation. The Carnage Prospect has a confirmed gold anomaly that is up to **500 m wide and 2.5km** long within the sediment package along the Carnage shear that is open to the northeast south and southwest (Figure 6).

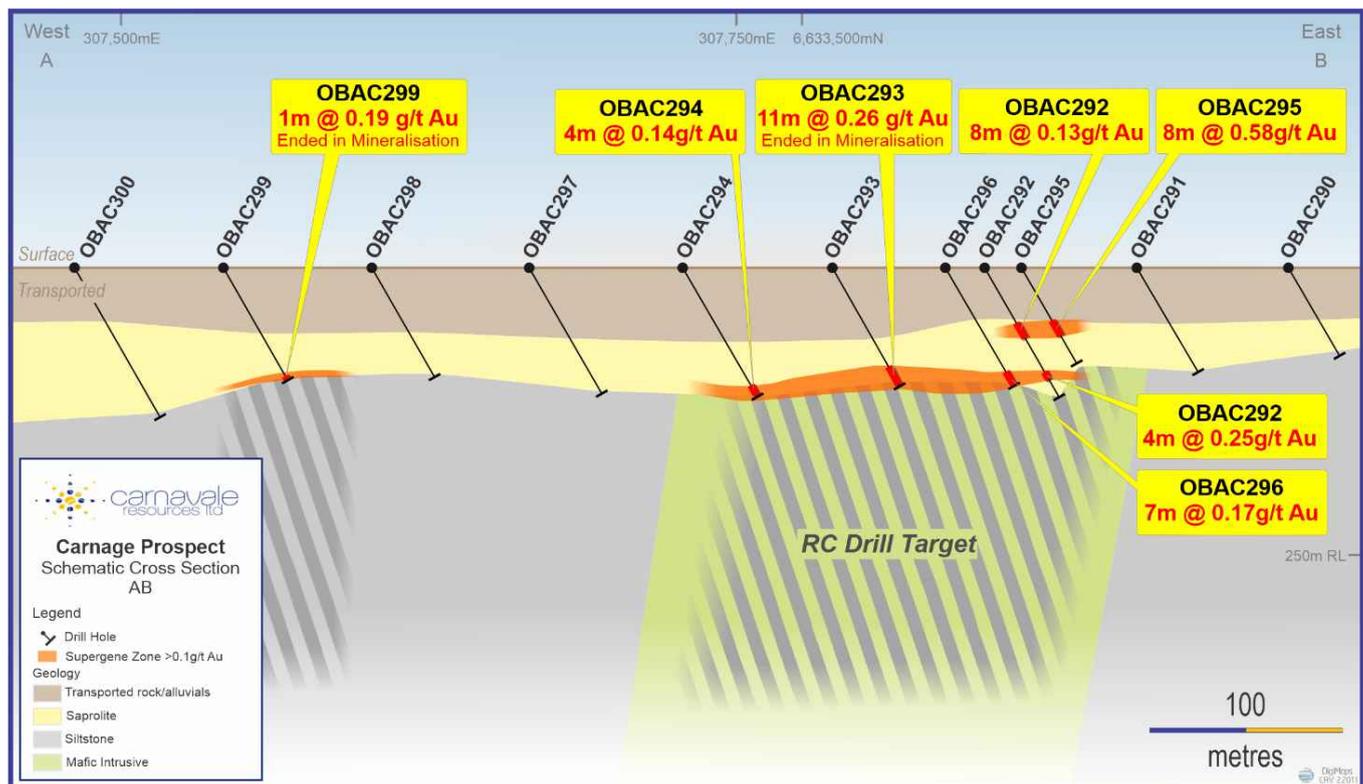


Figure 7: Cross section A-B through Carnage prospect with primary gold mineralisation associated with mafic rocks over broad area.

The mineralisation at Carnage is interpreted to be orientated North-East along the Carnage Shear and is modified to have a more North-South trend by the geology. The strike extent of this prospect is over 2.5km and is open along both strike trends. Both trends are evident within the interpreted gold contours as shown in Figure 6.

There is a close relationship with primary gold mineralisation and the sedimentary units that are more mafic in composition intersected by the drilling (Figure 7). Further drilling is required to find the extents of the mineralisation and refine targets for RC drilling.

Highlander Prospect

The geology of the Highlander Prospect is similar to the Carnage Prospect with sediments intersected by the Carnage shear and other associated fault structures. The depth of transported cover is not as extensive as at the Carnage Prospect, which is approximately 3km to the Northwest.

The Highlander Prospect has a blanket of anomalous gold and arsenic in the soil geochemistry that was the target for the initial broad spaced aircore drilling which intersected high-grade gold mineralisation.

The second aircore program has confirmed this anomaly in more detail and has outlined more than 2km of strike extent. Gold mineralisation has been associated with the same Carnage Shear and similar North-South modifying influences as the Carnage prospect. The supergene gold anomaly extends over **400m in width** and is made up of anomalous gold in the transported horizon directly associated with and overlying gold anomalism in the underlying residual saprolite. Highlander Prospect has a strike length of over **2km** which remains open to the Southwest and Northeast.

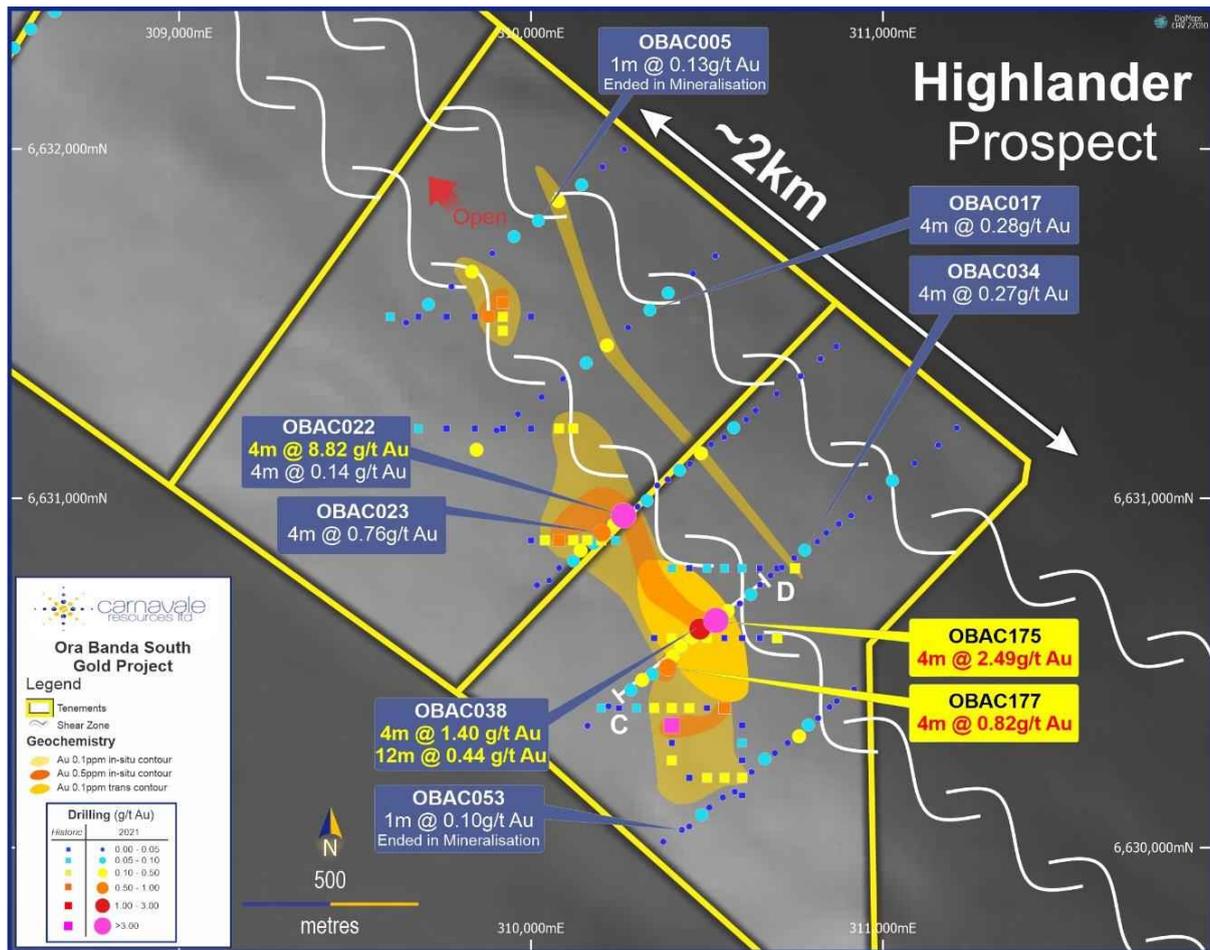


Figure 8: Plan of the Highlander Prospect
(Phase one drilling in blue phase two drilling in yellow callouts).

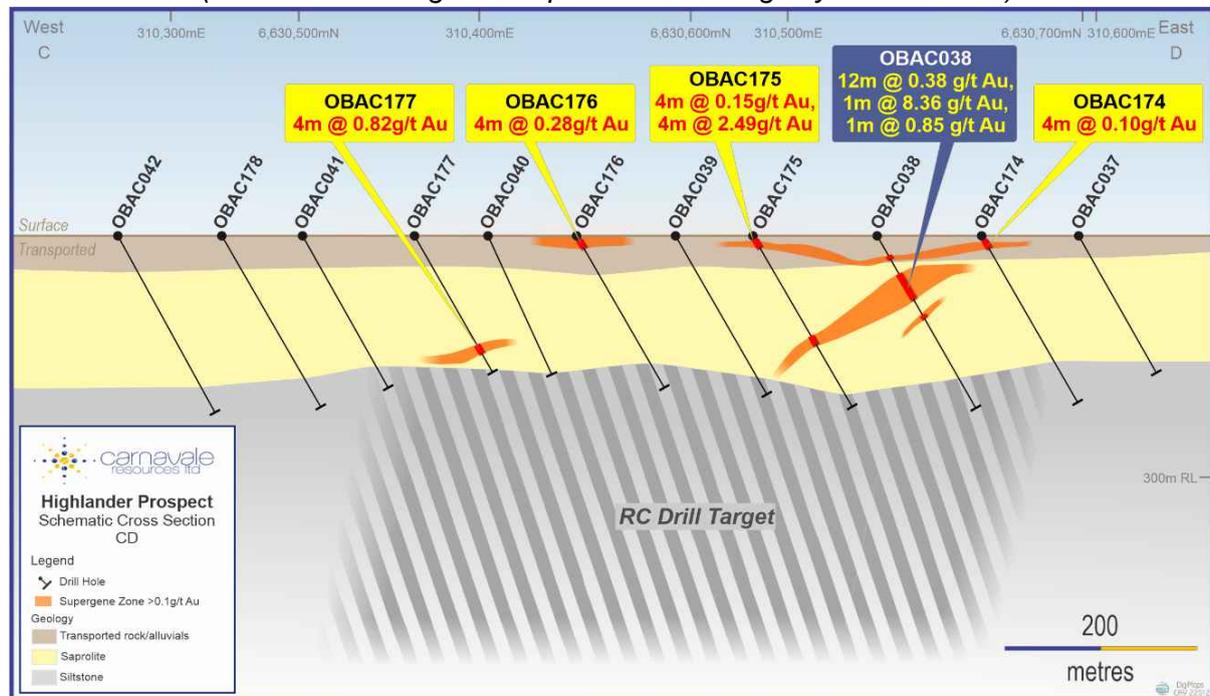


Figure 9: Cross section C-D through the Highlander Prospect showing 400m wide anomalous gold zone in regolith
(Phase one drilling in blue phase two drilling in yellow callouts).

Next steps

CAV has analyzed the multi-element geochemistry, primary structures, and geology with respect to the morphology of the gold anomalies. As a result of this review and as part of a systematic exploration approach, a more detailed, exploration drilling program has been planned to extend and expand the exciting targets at the Carnage and Highlander Prospects. An aircore program has been planned to start in Q3 2022. CAV intends to drill test the deeper extensions of the regolith anomalies with RC drilling to 200m in late 2022 subject to results and rig availability.

Grey Dam Nickel Sulphide Project.

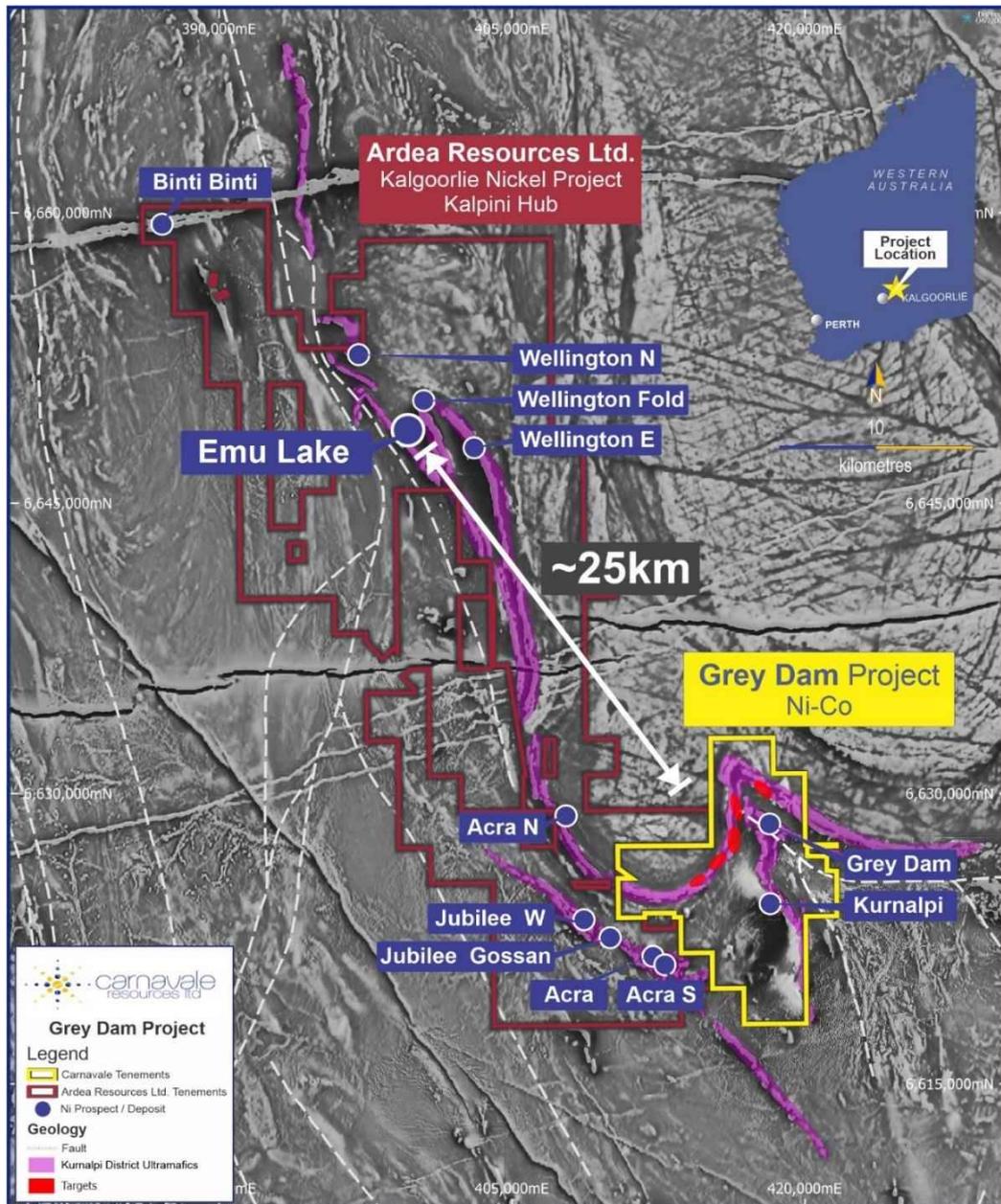


Figure 10: Grey Dam Nickel Project soil anomalies and Ardea Resources Ltd Emu Lake Nickel Sulphide Project underlain by the regional magnetics.

During the quarter Carnavale completed a ground based MLEM survey aiming to delineate direct drilling targets associated with 5 nickel / copper soil anomalies identified by the earlier UFF soil sampling program and one historic drillhole with anomalous nickel results.

The mafic / ultramafic sequence at Grey Dam is located immediately along strike and is the same geological sequence that hosts the new Kambalda style, nickel sulphide Emu Lake discovery recently reported by ARL. (Figure 10). The new Emu Lake discovery demonstrates the nickel sulphide fertility of the mafic ultramafic sequence.

The MLEM survey consisted of 200m x 200m loops with 50m stations along lines that are 600m in length. The survey was undertaken by Gap Geophysics with the survey lines outlined in green and yellow on the image below. (Figure 11). CAV anticipates results to be reported in Q3 2022.

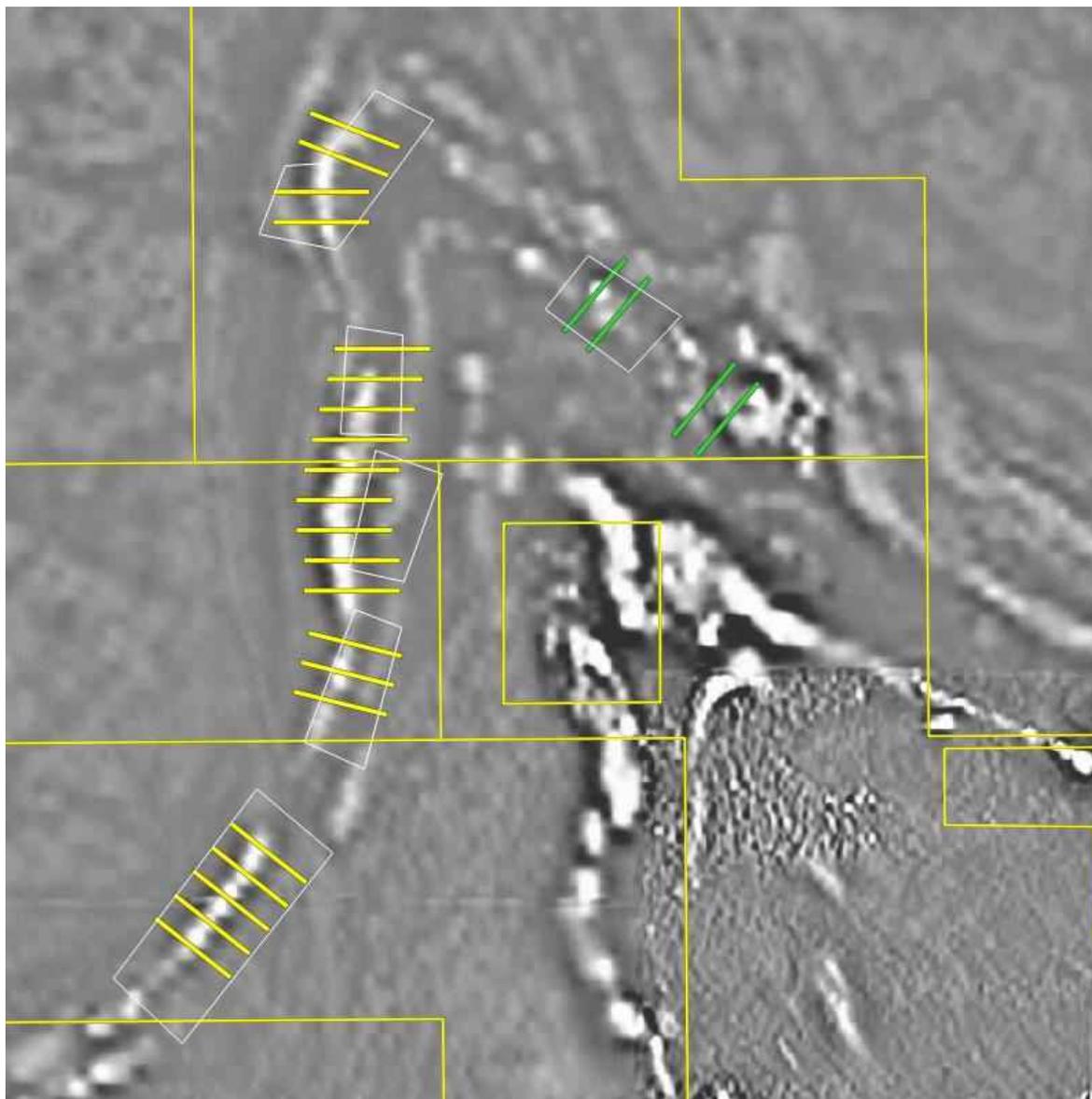


Figure 11: MLEM survey lines over Aeromagnetic image highlighting the Mafic Ultramafic sequence

Corporate

The Company had a cash position of \$3.24 million as of 30 June 2022.

Carnavale Chairman, Mr Ron Gajewski and non-executive director, Mr Andrew Beckwith each subscribed for 18.182 million new ordinary shares (and 9.091 million attaching options) totalling \$400,000 ("Director Placement Securities"). The Director Placement Securities required the approval of shareholders pursuant to Listing Rule 10.11, which was received at the general meeting held on 20 April 2022.

ASX Additional Information

1. ASX Listing Rule 5.3.1: Exploration and Evaluation Expenditure (excluding staff costs) during the Quarter was \$959,000. Full details of exploration activity during the Quarter are set out in this report.
2. ASX Listing Rule 5.3.2: There were no substantive mining production and development activities during the Quarter.
3. ASX Listing Rule 5.3.5: A total of \$33,000 was paid to related parties during the quarter comprising Director fees. During the quarter, \$22,132 was paid to Corporate Consultants Pty Ltd, a company in which Chairman Mr Gajewski is a director and has a beneficial interest, for accounting, secretarial, corporate service fees and provision of office space.

This release is approved by the Board of Carnavale Resources Limited.

For further information contact:

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Chairman	Chief Executive Officer	P: +61 8 9380 9098

Competent Persons Statement

The information that relates to Exploration Results for the projects discussed in this announcement represents a fair and accurate representation of the available data and studies; and is based on, and fairly represents information and supporting documentation reviewed by Mr. Humphrey Hale, a Competent Person who is a Member of The Australian Institute of Geoscientists. Mr. Hale is the Chief Executive Officer of Carnavale Resources Limited and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resource and Ore Reserves". Mr. Hale consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Forward Looking Statements

Statements regarding Carnavale's plans with respect to the mineral properties, resource reviews, programs, economic studies and future development are forward-looking statements. There can be no assurance that Carnavale's plans for development of its mineral properties will proceed any time in the future. There can also be no assurance that Carnavale will be able to confirm the presence of additional mineral resources/reserves, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of Carnavale's mineral properties.

Information relating to Previous Disclosure

Information relating to Exploration Results and Mineral Resources associated with previous disclosures relating to the Grey Dam Project, Ora Banda South Project and the Kookynie Gold Project in this announcement has been extracted from the following ASX announcements:

Carnavale acquires a High-Grade Gold Project - Kookynie, 4 August 2020
Carnavale secures additional ground at Kookynie Gold Project, 14 September 2020
Strategic Acquisition and Intensive Exploration to commence at Kookynie High-Grade Gold Project, 22 Oct 2020
Kookynie Exploration update, 9 November 2020
Kookynie Gold Project – Aircore Drilling commenced, 1 Dec 2020
Kookynie Gold Project – Drilling update, 17 Dec 2020
Kookynie Gold Project – Aircore drilling success, 9 Feb 2021
Kookynie Gold Project – Second phase of Aircore Drilling commenced 3 March 2021
High grade Gold discovered at Kookynie Gold Project, 19 April 2021
Kookynie Gold Project – Aircore continues at Kookynie targeting high-grade gold, 11 May 2021
Kookynie Gold Project – Phase 3 aircore drilling at Kookynie Gold Project complete, 28 May 2021
Kookynie Gold Project delivers Bonanza Gold grades, 15 July 2021
CAV Acquires 80% of Kookynie Gold Project, 26 July 2021
RC drilling commenced at the high-grade Kookynie Gold Project, 28 October 2021
Initial RC drilling completed at the Kookynie Gold Project, 16 Nov 2021
RC drilling intersects Bonanza Gold at Kookynie Gold Project, 17 Jan 2022
Kookynie Delivers Further High-Grade Gold Results and Expands Potential, 31 Jan 2022
Kookynie RC drilling recommences at McTavish East targeting high grade gold extensions, 29 March 2022
Aircore to test 1km prospective structure at high grade Kookynie Gold Project completed, 20 June 2022
Diamond drilling commenced at Kookynie, 15 July 2022

Carnavale Bolsters Gold Portfolio with New Acquisition Ora Banda South, 5 October 2020
CAV expands gold in soil anomalies at Ora Banda South Project, 29 July 2021
Initial Aircore drilling commenced at the Ora Banda South Gold Project, 2 September 2021
High-grade gold along 15km of the Carnage shear at Ora Banda, 13 Dec 2021
Aircore drilling to define large gold system at Ora Banda commenced, 16 Feb 2022
Second aircore program completed at the Ora Banda South Gold Project, 21 Mar 2022
Carnage and Highlander continue to grow along the 15km Carnage shear at Ora Banda South Gold, 22 May 2022

Carnavale expands Nickel-Cobalt footprint at Grey Dam, 28 June 2019
Carnavale expands Nickel Sulphide potential at Grey Dam, 11 November 2019
Strong EM Conductors defined at Grey Dam, 3 June 2020
Drilling to test strong Nickel EM targets at Grey Dam, 29 July 2020
Grey Dam Nickel Project Soil sampling update, 31 August 2020
Grey Dam Nickel Project - Drilling Commenced, 11 September 2020
Grey Dam Exploration Update, 6 November 2020
5 New Nickel / Copper anomalies located at the Grey Dam Nickel Sulphide Project, 17 October 2021
Exploration Update – Nickel Projects, 25 Jan 2022
Moving Loop EM survey underway at Grey Dam targeting Nickel sulphides, 5 May 2022

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Appendix

Carnavale Resources Limited (ASX: CAV) provides the following addendum in relation to additional information required by Listing Rule 5.3.3.

Schedule of Mining Tenements, Beneficial Interests and agreements

Held as at the end of the Quarter

Project/Location	Country	Tenement	Percentage held/earning
Grey Dam Project, WA	Australia	M28/378	100%
		E28/1477	100%
		E28/2587	Earning up to 80%*
		E28/2567	Earning up to 80%*
		E28/2682	Earning up to 80%*
		E28/2760	Earning up to 80%*
		E28/2506	Earning up to 80%*
Barracuda Project, WA	Australia	E58/551	100%
Kookynie Gold Project, WA	Australia	P40/1480	100%
		E40/355	80%**
		P40/1380	80%**
		P40/1381	80%**
		E40/394	100%
Ora Banda South, WA	Australia	P16/3081	Earning up to 80%*
		P16/3082	Earning up to 80%*
		P16/3077	Earning up to 80%*
		P16/3000	Earning up to 80%*
		P16/3001	Earning up to 80%*
		P24/5274	Earning up to 80%*
		P24/5275	Earning up to 80%*
		P24/5276	Earning up to 80%*
		P24/5277	Earning up to 80%*
		P24/5278	Earning up to 80%*
		P24/5279	Earning up to 80%*
		P24/5280	Earning up to 80%*
		P24/5281	Earning up to 80%*
		P24/5282	Earning up to 80%*
		P24/5519	100%

*Carnavale has the right to earn up to this level on expending the funds and payments stated in the relevant agreements.

** In July 2020, Carnavale secured an option with Western Resources Pty Ltd to earn 80% of tenements E40/355, P40/1380 and P40/1381. Under the terms of the agreement, Carnavale having explored the tenement area, elected to acquire 80% of the tenements in July 2021 and paid \$250,000 in cash and issued 50 million fully paid Carnavale shares. Both parties have entered a formal Joint Venture ("JV") (CAV 80%, Western Resources 20%), where Carnavale will free carry Western Resources Pty Ltd to the completion of a Bankable Feasibility Study (BFS) and on completion of a BFS Western Resources Pty Ltd will be obliged to contribute to future costs on a pro-rata basis or be diluted, or alternatively elect to convert its 20% equity interest to a 1.5% NSR ("Royalty") within 30 days of Carnavale notice of the completion of the BFS. Thereafter, no party to dilute to less than 10% equity in the Project, otherwise deemed to have no further interest and will assign the remaining interest to the other party.

Schedule of Mining Tenements, Beneficial Interests and agreements

Acquired during the Quarter

Project/Location	Country	Tenement	Percentage held/earning
Ora Banda South, WA	Australia	P24/5519	100%

Schedule of Mining Tenements, Beneficial Interests and agreements

Disposed of during the Quarter

Project/Location	Country	Tenement	Percentage held/earning
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